

SENATE BILL REPORT

HB 1171

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, March 19, 2009

Title: An act relating to the Washington beer commission.

Brief Description: Changing Washington beer commission provisions.

Sponsors: Representatives Sullivan and Newhouse.

Brief History: Passed House: 2/23/09, 96-0.

Committee Activity: Labor, Commerce & Consumer Protection: 3/19/09 [DP, w/oRec].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Franklin, Honeyford, King and Kline.

Minority Report: That it be referred without recommendation.

Signed by Senator Holmquist, Ranking Minority Member.

Staff: Mac Nicholson (786-7445)

Background: The Washington Beer Commission (Commission) was created in 2006 following a vote by Washington brewers. The Commission is charged with promoting and marketing Washington-produced beer and is subject to oversight by the Washington State Department of Agriculture. To fund its activities, the Commission levies an annual assessment of 10 cents per barrel produced, sells beer at beer festivals, and until July 1, 2009, receives gifts, grants, and endowments. Assessments and other provisions in the Commission statutes apply only to "affected producers," which are people or entities licensed to produce beer in the state and who produce less than 100,000 barrels annually.

Summary of Bill: The assessment and other provisions in the Commission statutes apply to all producers licensed to produce beer in Washington rather than those who produce less than 100,000 barrels annually.

The Commission may receive gifts, grants, and endowments indefinitely.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: In the original Commission legislation, small brewers wanted to be able to donate beer in lieu of assessments. The Liquor Control Board was concerned, so a sunset date was put on the authority to donate to make sure there were no abuses. The program is working great so the sunset should be removed. Breweries want the flexibility to pay assessments in whatever way then can.

Persons Testifying: PRO: T.K. Bentler, Washington Brewers Guild; Heather McClung, Washington Brewers Guild and Schooner Exact Brewery; Janelle Pritchard, Washington Brewers Guild and Snoqualmie Falls Brewing.